



**Press Release**  
**PRIMARC PROJECTS PRIVATE LIMITED**  
**May 16, 2025**  
**Rating Assigned**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	26.00	ACUITE BBB-   Stable   Assigned	-
Total Outstanding Quantum (Rs. Cr)	26.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

**Rating Rationale**

Acuite has assigned long term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) on the Rs. 26 Cr. bank facilities of Primarc Projects Private Limited. The outlook is '**Stable**'.

**Rationale for rating:**

The rating takes into cognizance long track of operations, benefits derived from the experience management in the real estate business, moderate financial risk profile, ability of the promoters to infuse funds as and when required, adequate liquidity with the presence of Debt Service Reserve Account (DSRA) and Escrow Mechanism; however, these strengths are partly offset by timely inflow of funds in escrow account to service the term loan of the account and presence in the real estate industry which is prone to execution and cash flow risk.

**About the Company**

Kolkata Based Primarc Projects Private Limited (main flagship company of Primarc group) was incorporated in 2006. It is engaged in the business of development and construction of residential and commercial properties around West Bengal. The operations of the company are managed by Mr. Mahesh Pansari, Mr. Sidharth Pansari and Mr. Narendra Dhanuka.

**About the Group**

**Shrimarc Mall LLP**

Incorporated in 2013, Shrimarc Mall LLP (SML) is a Limited Liability Partnership (LLP) between Calcutta Beacon Engineering Co LLP (CBECL; part of Shrachi group) and Sky Vinimay Private Limited (SVPL; part of Primarc group) in an equal profit sharing ratio. SML operates a commercial mall at Durgapur (West Bengal) named 'Junction Mall' which is a multi-storeyed shopping mall with various brand outlets, and restaurants. The mall was inaugurated in March, 2011 and Primarc Group entered into partnership with Shrachi Group in 2013. The property has a leasable area of 2.85 lakh sq and balance 0.39 lakh sq. ft. has been sold out in earlier years. It is located in the heart of the Durgapur town and was inaugurated in 2011. The business is managed by Mr. Siddharth Pansari and Mr Ravi Todi. CBECL a joint venture between Ravi Todi and Chitraklekha Todi.

**Unsupported Rating**

Not Applicable

**Analytical Approach**

Acuite has considered standalone business and financial risk profile of Primarc Projects Private Limited to arrive at the rating.

**Key Rating Drivers**

**Strengths**

Benefits derived from the promoters

The operations of the company are managed by Mr Mahesh Pansari, Mr Siddharth Pansari and Mr Narendra Dhanuka. They have more than two decades of experience in commercial property and real estate operations. The Company is presently developing two projects a commercial (Primarc Chambers ) and luxury residential project (Primarc Ramdulari) in Kolkata. It is exposed to execution risk of three upcoming projects of the company in- Kasba-Rathtala, Howrah-Shibpur and Kasba-Rajdanga around West Bengal. The Company is also in the process of developing few more projects over the medium term in Kolkata region. Acuite believes that the benefits derived from the experience of the promoters will help the company's credit risk profile going forward. Acuite further

believes that the execution of the projects and generation of cashflows from the projects would remain a key monitorable.

### **Moderate Financial risk profile**

The financial risk profile is moderate marked by an increase in the net worth to Rs. 43.23 Cr. as on March 31, 2024 as compared to Rs. 23.60 Cr. as on March 31, 2023 due to accretion of reserves. Gearing stood at 1.34 times as on March 31, 2024 as against 2.82 times as on March 31, 2023. The Total Outside Liabilities/Tangible Net Worth (TOL/TNW) stood at 2.01 times as on March 31, 2024 as compared to 3.57 times as on March 31, 2023. The debt protection metrics is marked by Interest Coverage Ratio at 1.38 times as on March 31, 2024 and March 31, 2023 and Debt Service Coverage Ratio at 1.36 times as on March 31, 2024 as compared to 1.40 times as on March 31, 2023. Net Cash Accruals/Total Debt (NCA/TD) stood at 0.04 times as on March 31, 2024 as compared to 0.03 times as on March 31, 2023. Acuité believes that going forward the financial risk profile will remain moderate over the medium term with steady cash accruals in the absence of any major debt funded capex plans.

### **Presence of DSRA and Escrow Account**

The company has taken term loan of Rs. 26 Cr. from Kotak Mahindra Bank to repay unsecured loans availed by the company from third or unrelated parties. The same would be repaid by surpluses of its group entity Shrimarc Mall LLP which is expected to be received in Escrow account in Sky Vinimay Private Limited (part of Primarc Group) and in turn transferred to PPPL. The company also maintains a DSRA of Rs. 1 Cr as of April 2025 which provides comfort on the liquidity profile.

### **Weaknesses**

#### **Risk of timely cash flow and servicing of debt**

Since the repayment of the loan is linked to cash flow of its group entity, Shrimarc Mall LLP and timely inflow of funds in the escrow account, the same remains a key monitorable. Any adverse change in tenancies of Shrimarc Mall LLP or exit by tenants, might have a direct impact on the credit risk profile of the loan in PPPL.

#### **Inherent cyclicity in the sector**

The real estate industry is highly fragmented with most of the real estate developers, having a city-specific or region specific presence. The risks associated with the real estate industry - cyclical nature of business (drop in property prices), interest rate risk can affect the operations of the company.

#### **Assessment of Adequacy of Credit Enhancement under various scenarios including stress scenarios (applicable for ratings factoring specified support considerations with or without the “CE” suffix)**

PPPL maintains a Debt Service Reserve Account (DSRA) equivalent to 3 times of average 120 month's debt servicing obligation along with the ESCROW mechanism.

### **Stress Case scenario**

Acuite believes that, given the presence of DSRA mechanism equivalent to 3 times of average 120 month's debt servicing obligation PPPL will be able to service its debt on time, even in a stress scenario

### **Rating Sensitivities**

Timely receipts of cash flow in Escrow Account of PPPL  
Scheduled commencement and completion of upcoming projects  
Timely receipts of customer advances in its projects

### **Liquidity Position**

#### **Adequate**

The liquidity position is adequate marked by net cash accruals of Rs.2.27 Cr. as on March 31, 2024 as against no long-term debt repayment over the same period (as there are no long-term debt). The cash and bank balances stood at Rs. 2.37 Cr. as on March 31, 2024 as compared to Rs. 1.50 Cr. as on March 31, 2023. The current ratio stood at 2.10 times as on March 31, 2024 as compared to 2.77 times as on March 31, 2023. The average bank limit utilization is 1.83 percent ended February 2025. The company maintains DSRA, an amount equivalent to 3 times average 120 month's debt servicing obligation, to be maintained with the bank. The Company has also has a past track record of prepayment of its term loans. Acuité believes that going forward the liquidity position of the company will remain adequate in the near to medium term.

### **Outlook: Stable**

### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	40.47	38.57
PAT	Rs. Cr.	1.95	1.76
PAT Margin	(%)	4.83	4.57
Total Debt/Tangible Net Worth	Times	1.34	2.82
PBDIT/Interest	Times	1.38	1.38

**Status of non-cooperation with previous CRA (if applicable)**

None

**Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)**

**Not applicable**

**Any other information**

None

## Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Real Estate Entities: <https://www.acuite.in/view-rating-criteria-63.htm>

## Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

**Rating History:Not Applicable**

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.68	Simple	ACUITE BBB-   Stable   Assigned
Kotak Mahindra Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	01 Nov 2034	3.89	Simple	ACUITE BBB-   Stable   Assigned
Kotak Mahindra Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	01 Nov 2034	21.43	Simple	ACUITE BBB-   Stable   Assigned

## Contacts

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### About Acuité Ratings & Research

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